THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. .PALANIMANICKAM): (a) No, Sir.

(b) Does not arise in view of the reply to part (a) above.

(c) There have been no major complaints about the privatisation transactions, which could be substantiated. The Government scrutinizes all complaints with promptitude and takes appropriate action.

(d) The policy of the Government on Public Sector and Disinvestment, as laid down in the National Common Minimum Programme is given below:—

'The Government is committed to a strong and effective public sector whose social objectives are met by its commercial functioning. But for this, there is need for selectivity and a strategic focus. It is pledged to devolve full managerial and commercial autonomy to successful, profit-making companies operating in a competitive environment. Generally, profit making companies will not be privatised.

All privatisations will be considered on a transparent and consultative case-by-case basis. The existing "navaratna" companies will be retained in the public sector while these companies raise resources from the capital market. While every effort will be made to modernize and restructure sick public sector companies and revive sick industry, chronically loss-making companies will either be sold-off, or closed, after all workers have got their legitimate dues and compensation. The Government will induct private industry to turn around companies that have potential for revival.

The Government believes that privatisation should increase competition, not decrease it. It will not support the emergence of any monopoly that only restricts competition. It also believes that there must be a direct link between privatisation and social needs - like, for example, the use of privatisation revenues for designated social sector schemes. Public sector companies and nationalized banks will be encouraged to enter the capital market to raise resources and offer new investment avenues to retail investors."

Foreign Exchange Reserve

†1339. SHRI UDAY PRATAP SINGH: Will the Minister of FINANCE be pleased to state:

(a) the details of the foreign exchange reserve of the country;

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†Original notice of the question was received in Hindi.

(b) whether Government proposes to fix maximum limit of foreign exchange reserve; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S S. PALANIMANICKAM): (a) India's total foreign exchange reserves were estimated at US $ 118,319 million on July 30, 2004. The reserves comprised foreign currency assets (US $ 112,967 million), gold (US $ 4,057 million), special drawing rights (US $ 2 million) and reserve tranche position (US $ 1,293 million) in the IMF.

(b) Government does not propose to fix any maximum limit on foreign exchange reserves.

(c) Does not arise.

Cost Audit on Chocolates and Milk Products

1340. SHRI ABU ASIM AZMI: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) what are the details of goods covered under cost audit and under what provisions;

(b) whether it is a fact that chocolates and processed milk products are under cost audit;

(c) if so, what are the names of the companies engaged in their manufacture,

(d) whether it is also a fact that almost all the companies are multinationals;

(e) if so, what are the considerations which led to exclude them from cost audit; and

(f) what steps are being taken to strengthen cost audit on chocolates and milk products?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) Cost Audit Orders have been issued on select companies under section 233(B) of the Companies Act, 1956 on the goods listed against the industries and are given in Statement (See below).